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NORTHERN DISTRICT OF CALIFORNIA

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18 MICROSOFT CORPORATION

19 UNITED STATES DISTRICT COURT  
20 NORTHERN DISTRICT OF CALIFORNIA

21 INTERTRUST TECHNOLOGIES  
22 CORPORATION, a Delaware corporation,

23 Plaintiff,

24 v.

25 MICROSOFT CORPORATION, a  
26 Washington Corporation,

27 Defendant.

CASE NO: C 01-1640 SBA

MICROSOFT CORPORATION'S  
ANSWER TO THE SECOND  
AMENDED COMPLAINT

28 Defendant Microsoft Corporation ("Microsoft") answers the Second Amended  
Complaint of InterTrust Technologies Corporation ("InterTrust") as follows:

1. Microsoft admits that the Second Amended Complaint purports to state a  
cause of action under the patent laws of the United States, 35 United States Code, §§ 271 and  
281. Microsoft denies that it has infringed or now infringes the patents asserted against Microsoft  
in the Second Amended Complaint. Microsoft denies any and all remaining allegations of  
paragraph 1 of the Second Amended Complaint.

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ORRICK  
HERRINGTON  
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MICROSOFT'S CORPORATION'S ANSWER TO SECOND  
AMENDED COMPLAINT, CASE NO. C 01-1640 SBA

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1                   2.       Microsoft admits that the Second Amended Complaint purports to state a  
2 cause of action over which this Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and  
3 1338(a).

4                   3.       Microsoft admits, for purposes of this action only, that venue is proper in  
5 this judicial district. Microsoft denies any and all remaining allegations of paragraph 3 of the  
6 Second Amended Complaint.

7                   4.       Upon information and belief, Microsoft admits the allegations of paragraph  
8 4 of the Second Amended Complaint.

9                   5.       Microsoft admits the allegations of paragraph 5 of the Second Amended  
10 Complaint.

11                  6.       Microsoft admits, for purposes of this action only, that it transacts business  
12 in this judicial district. Microsoft denies any and all remaining allegations of paragraph 6 of the  
13 Second Amended Complaint.

14                  7.       Microsoft admits that on its face the title page of U.S. Patent No. 6,185,683  
15 B1 ("the '683 Patent") states that it was issued February 6, 2001, is entitled "Trusted and secure  
16 techniques, systems and methods for item delivery and execution," and lists "InterTrust  
17 Technologies Corp." as the assignee. Microsoft admits that a copy of the '683 Patent was  
18 attached to the copy of the Second Amended Complaint delivered to counsel for Microsoft, but  
19 denies that such copy was full and complete insofar as it did not include any material purportedly  
20 incorporated by reference therein. Microsoft denies that the '683 Patent was duly and lawfully  
21 issued. Microsoft further denies any and all remaining allegations of paragraph 7 of the Second  
22 Amended Complaint.

23                  8.       Microsoft admits that on its face the title page of U.S. Patent No. 6,253,193  
24 B1 ("the '193 Patent") states that it was issued June 26, 2001, is entitled "Systems and methods  
25 for the secure transaction management and electronic rights protection," and lists "InterTrust  
26 Technologies Corporation" as the assignee. Microsoft admits that a copy of text associated with  
27 the '193 Patent was attached to the copy of the Second Amended Complaint delivered to counsel  
28 for Microsoft, but denies that such copy was full and complete as it did not include, among other  
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1 things, any of the drawings or figures. Microsoft further denies such copy was full and complete  
2 insofar as it did not include any material purportedly incorporated by reference therein. Microsoft  
3 denies that the '193 Patent was duly and lawfully issued. Microsoft further denies any and all  
4 remaining allegations of paragraph 8 of the Second Amended Complaint.

5 9. Microsoft admits that on its face the title page of U.S. Patent No. 5,940,504  
6 ("the '504 Patent") states that it was issued August 17, 1999 and is entitled "Licensing  
7 management system and method in which datagrams including an addressee of a licensee and  
8 indicative of use of a licensed product are sent from the licensee's site." Microsoft admits that a  
9 copy of the '504 Patent was attached to the copy of the Second Amended Complaint delivered to  
10 counsel for Microsoft. Microsoft denies that the '504 Patent was duly and lawfully issued.  
11 Microsoft further denies any and all remaining allegations of paragraph 9 of the Second Amended  
12 Complaint.

13 10. Microsoft admits that on its face the title page of U.S. Patent No. 5,920,861  
14 ("the '861 Patent") states that it was issued July 6, 1999, is entitled "Techniques for defining,  
15 using and manipulating rights management data structures," and lists "InterTrust Technologies  
16 Corp." as the assignee. Microsoft admits that a copy of the '861 Patent was attached to the copy  
17 of the Second Amended Complaint delivered to counsel for Microsoft, but denies that such copy  
18 was full and complete insofar as it did not include any material purportedly incorporated by  
19 reference therein. Microsoft denies that the '861 Patent was duly and lawfully issued. Microsoft  
20 further denies any and all remaining allegations of paragraph 10 of the Second Amended  
21 Complaint.

22 11. Microsoft repeats and reasserts its responses to paragraphs 1-7 of the  
23 Second Amended Complaint, as if fully restated herein.

24 12. Microsoft admits that the Second Amended Complaint purports to state a  
25 cause of action under 35 U.S.C. §§ 271 and 281. Microsoft denies that it has infringed or now  
26 infringes the patents asserted against Microsoft in the Second Amended Complaint. Microsoft  
27 denies any and all remaining allegations of paragraph 12 of the Second Amended Complaint.

28 13. Microsoft denies any and all allegations of paragraph 13 of the Second

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1 Amended Complaint.  
2 14. Microsoft denies any and all allegations of paragraph 14 of the Second  
3 Amended Complaint.  
4 15. Microsoft denies any and all allegations of paragraph 15 of the Second  
5 Amended Complaint.  
6 16. Microsoft denies any and all allegations of paragraph 16 of the Second  
7 Amended Complaint.  
8 17. Microsoft denies any and all allegations of paragraph 17 of the Second  
9 Amended Complaint.  
10 18. Microsoft repeats and reasserts its responses to paragraphs 1-6 and 8 of the  
11 Second Amended Complaint, as if fully restated herein.  
12 19. Microsoft admits that the Second Amended Complaint purports to state a  
13 cause of action under 35 U.S.C. §§ 271 and 281. Microsoft denies that it has infringed or now  
14 infringes the patents asserted against Microsoft in the Second Amended Complaint. Microsoft  
15 denies any and all remaining allegations of paragraph 19 of the Second Amended Complaint.  
16 20. Microsoft denies any and all allegations of paragraph 20 of the Second  
17 Amended Complaint.  
18 21. Microsoft denies any and all allegations of paragraph 21 of the Second  
19 Amended Complaint.  
20 22. Microsoft denies any and all allegations of paragraph 22 of the Second  
21 Amended Complaint.  
22 23. Microsoft denies any and all allegations of paragraph 23 of the Second  
23 Amended Complaint.  
24 24. Microsoft denies any and all allegations of paragraph 24 of the Second  
25 Amended Complaint.  
26 25. Microsoft repeats and reasserts its responses to paragraphs 1-6 and 9 of the  
27 Second Amended Complaint, as if fully restated herein.

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1           26.    Microsoft admits that the Second Amended Complaint purports to state a  
2 cause of action under 35 U.S.C. §§ 271 and 281. Microsoft denies that it has infringed or now  
3 infringes the patents asserted against Microsoft in the Second Amended Complaint. Microsoft  
4 denies any and all remaining allegations of paragraph 26 of the Second Amended Complaint.

5           27.    Microsoft denies any and all allegations of paragraph 27 of the Second  
6 Amended Complaint.

7           28.    Microsoft denies any and all allegations of paragraph 28 of the Second  
8 Amended Complaint.

9           29.    Microsoft denies any and all allegations of paragraph 29 of the Second  
10 Amended Complaint.

11          30.    Microsoft denies any and all allegations of paragraph 30 of the Second  
12 Amended Complaint.

13          31.    Microsoft denies any and all allegations of paragraph 31 of the Second  
14 Amended Complaint.

15          32.    Microsoft repeats and reasserts its responses to paragraphs 1-6 and 10 of  
16 the Second Amended Complaint, as if fully restated herein.

17          33.    Microsoft admits that the Second Amended Complaint purports to state a  
18 cause of action under 35 U.S.C. §§ 271 and 281. Microsoft denies that it has infringed or now  
19 infringes the patents asserted against Microsoft in the Second Amended Complaint. Microsoft  
20 denies any and all remaining allegations of paragraph 33 of the Second Amended Complaint.

21          34.    Microsoft denies any and all allegations of paragraph 34 of the Second  
22 Amended Complaint.

23          35.    Microsoft denies any and all allegations of paragraph 35 of the Second  
24 Amended Complaint.

25          36.    Microsoft denies any and all allegations of paragraph 36 of the Second  
26 Amended Complaint.

27          37.    Microsoft denies any and all allegations of paragraph 37 of the Second  
28 Amended Complaint.

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1 38. Microsoft denies any and all allegations of paragraph 38 of the Second  
2 Amended Complaint.

### 3 AFFIRMATIVE AND OTHER DEFENSES

4 Further answering the Second Amended Complaint, Microsoft asserts the  
5 following defenses. Microsoft reserves the right to amend its answer with additional defenses as  
6 further information is obtained.

#### 7 First Defense: Noninfringement of the Asserted Patents

8 1. Microsoft has not infringed, contributed to the infringement of, or induced  
9 the infringement of U.S. Patent No. 6,185,683 B1 ("the '683 Patent"), U.S. Patent No. 6,253,193  
10 B1 ("the '193 Patent"), U.S. Patent No. 5,940,504 ("the '504 Patent") or U.S. Patent No.  
11 5,920,861 ("the '861 Patent"), and is not liable for infringement thereof.

12 2. Any and all Microsoft products or actions that are accused of infringement  
13 have substantial uses that do not infringe and therefore cannot induce or contribute to the  
14 infringement of the '683 Patent, the '193 Patent, the '504 Patent or the '861 Patent.

#### 15 Second Defense: Invalidity of the Asserted Patents

16 3. On information and belief, the '683 Patent, the '193 Patent, the '504 Patent  
17 and the '861 Patent are invalid for failing to comply with the provisions of the Patent Laws, Title  
18 35 U.S.C., including without limitation one or more of 35 U.S.C. §§ 102, 103 and 112.

#### 19 Third Defense: Unavailability of Relief

20 4. On information and belief, Plaintiff has failed to plead and meet the  
21 requirements of 35 U.S.C. § 271(b) and is not entitled to any alleged damages prior to providing  
22 any actual notice to Microsoft of the '683 Patent, the '193 Patent, the '504 Patent or the '861  
23 Patent.

#### 24 Fourth Defense: Unavailability of Relief

25 5. On information and belief, Plaintiff has failed to plead and meet the  
26 requirements of 35 U.S.C. § 284 for enhanced damages and is not entitled to any damages prior to  
27 providing any actual notice to Microsoft of the '683 Patent, the '193 Patent, the '504 Patent,  
28 and/or the '861 Patent, and any alleged infringement thereof.

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## Fifth Defense: Unavailability of Relief

6. On information and belief, Plaintiff has failed to plead and meet the requirements of 35 U.S.C. § 287, and has otherwise failed to show that it is entitled to any damages.

## Sixth Defense: Prosecution History Estoppel

7. Plaintiff's alleged causes of action for patent infringement are barred under the doctrine of prosecution history estoppel, and Plaintiff is estopped from claiming that the '683 Patent, the '193 Patent, the '504 Patent, and/or the '861 Patent covers or includes any accused Microsoft product or method.

## Seventh Defense: Dedication to the Public

8. Plaintiff has dedicated to the public all methods, apparatus, and products disclosed in the '683 Patent, the '193 Patent, the '504 Patent, and/or the '861 Patent, but not literally claimed therein, and is estopped from claiming infringement by any such public domain methods, apparatus, and products.

## Eighth Defense: Use/Manufacture By/For United States Government

9. To the extent that any accused product has been used or manufactured by or for the United States, Plaintiff's claims and demands for relief are barred by 28 U.S.C. § 1498.

## Ninth Defense: License

10. To the extent that any of Plaintiff's allegations of infringement are premised on the alleged use, sale, or offer for sale of products that were manufactured by or for a licensee of InterTrust and/or provided by or to Microsoft to or by a licensee of InterTrust, such allegations are barred pursuant to license.

## Tenth Defense: Acquiescence

11. Plaintiff has acquiesced in at least those acts of Microsoft that are alleged to infringe the '861 Patent, the '683 Patent, and the '193 Patent.

## Eleventh Defense: Laches

12. Plaintiff's claims for relief are barred, in whole or in part, by the equitable doctrine of laches.

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## PRAYER FOR RELIEF

WHEREFORE, Microsoft prays for the following relief:

- A. The Court enter judgment against InterTrust on, and dismiss with prejudice, any and all claims of the Second Amended Complaint;
- B. The Court award to Microsoft its reasonable costs and attorneys' fees; and
- C. The Court grant to Microsoft such other and further relief as may be deemed just and appropriate.

DATED: August 29, 2001

By: 

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